

Residential and Nursing Care: **About Your Property**



This leaflet explains how the Council works out how much you will be expected to pay for services

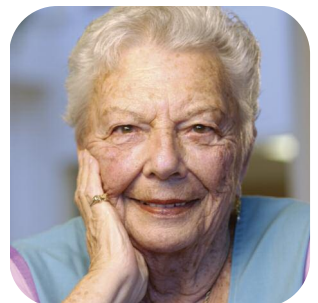
Assessments of Service Users Property

- 1 A service user's property is brought into consideration for assessment purposes from the thirteenth week of permanent residence.
- 2 Automatic exclusion from this are in cases where the service user has a spouse/partner, or relative who is incapacitated or over 60, or a child under 16 still residing in the property (who the client is liable to maintain).
- 3 Where no such exclusion exists the first step must be to value a service user's interest in a property by one of the following methods:
 - (a) The service user or their representative may arrange for a professional valuation of the property, a copy of which should then be forwarded to the Community Care Administration Section.
 - b) If the Property is already on the market, the asking price would be presumed to be the valuation as long as it is being marketed at a realistic value.
 - (c) In exceptional circumstances the council may obtain an independent valuation.
- 4 Once the value of a service user's interest is known, this figure, less 10% in recognition of estimated selling expenses, will be added to any other capital assets to work out the cost for the service being provided.

Any combination of capital and property over £23,250 would result in the full cost of the service provided being applied. The charge on capital below £23,250 but above £14,250 is made at a rate of £1 per week for every £250 or part thereof.

The Authority may require periodic re-valuations particularly when there is good reason to believe that the valuation has changed appreciably. Capital levels and charges are subject to change on a yearly basis.

- 5 From the thirteenth week, the service user is entitled to claim Attendance Allowance or have it reinstated.



The method of collecting the income now needs consideration.

- (a) The service user may have sufficient capital to pay the assessed charge, including a valuation of the property. If this is the case it should be borne in mind that this capital may eventually become exhausted. The length of time this takes will obviously depend on the cost of the service and the amount of existing capital. If this were to happen charges would still be made and invoices still issued, but, if appropriate, collection would be suspended until more capital was available, ie after the eventual sale of the property. If you have any problems paying any accounts issued under such circumstances do not hesitate to contact us. We would normally agree to suspend payments once liquid capital is below £3,000.
- (b) Where there is no other capital and the property has not yet been sold, a legal charge will be placed against the property which would enable debts accrued to be recovered at a later date, possibly after the service user's death. Currently no interest is charged.
- (c) If there is another relative living in the property and the value has still been taken into consideration for assessment purposes the council would not normally force a sale of that property. The council would place a legal charge against the property to enable them to recoup monies at a later date. The service user's entitlement to claim Pension Credit may be affected if the property is not put on the market.
- (d) The local authority does not need your permission in order to create a charge under section 22 of the Health and Social Services and Social Security Adjudication Act 1983, however the authority will let you know in writing when a charge has been placed.

The Authority does have some discretion not to take a former dwelling house into account when assessing a service user, dependent on the individual circumstances of each case.



Calculation of Charges including Property Valuation

The assessment is based on an initial valuation at admission, less 10% in estimated selling expenses, less any outstanding mortgage or debt secured against the property.

An example of a typical calculation:

In order to illustrate the effect of the valuation, and to emphasise the importance of letting us know if it changes, we give below an example of a typical calculation:

Initial valuation at admission	£90,000.00
Less 10% estimated selling expenses	<u>£9,000.00</u>
	£81,000.00
Less Outstanding mortgage	<u>£7,500.00</u>
Valuation to be used	£73,500.00

At regular intervals the above calculation will be reviewed to take into account any outstanding monies owing to the council which have accumulated over a period of time or any valid changes you have notified us of which affect the valuation.

The property valuation is only part of the information needed to accurately assess service users contributions to their care costs, any other capital resources, such as savings or stocks and shares, are taken into consideration and if the total is over £23,250 then the service user is liable to pay the full cost of the accommodation provided.

If assets are over £14,250 but less than £23,250 then the charge of £1 per week for every £250 or part thereof over £14,250 is made. This will be added to any other charges calculated in connection with the service user's income in arriving at the final total payable.

What happens when the property is sold?

The main points to be aware of when a property is sold are as follows:

- The amount outstanding to the Council will become payable out of the sale proceeds
- The DWP benefits which the resident receives may change.
- If the resident has in excess of £23,250 in liquid capital left after outstanding bills have been paid, s/he can choose whether to keep the Residential Care Contract in place, or terminate the Contract.
- Any legal charge placed against the property will be removed once the debt has been cleared.
- If you live in a home outside the Bradford MDC area the contract will expire.

All these points are fully explained in this leaflet.

How will the DWP Benefits change?

Pension Credit

When a resident has a property for sale, s/he may have been receiving Pension Credit/Income Support

You will need to inform both Social Services and the Department for Work and Pensions when the property is sold, so that a new calculation can be done. You will be required to provide a copy of the completion statement which you will receive from your solicitor/conveyancer dealing with the sale of the property.



What are the choices available in terms of the residential care contract?

When a resident has in excess of £23,250 in liquid capital, s/he is self-funding and can choose whether to keep a Care Contract in place, or to terminate the Contract.

If the Contract is continued, the resident has the choice of the following:

- (a) Paying the full amount direct to the Residential/Nursing Home, or
- (b) Paying the full amount to the Council, or
- (c) Paying some to the Home, and some to the Council.

Some advantages of maintaining a Contract for self-funding residents are:

- (a) Security of knowing that the Council will fund when capital falls below £23,250.
- (b) The Council review the contract price annually.
- (c) No part of the Contract may be altered without agreement from all parties.
- (d) The resident's financial situation is reviewed every 12 months.



What should I do when the house is sold?

- 1 Contact Community Care Administration to let them know the new sale proceeds. We will then let you know the amount outstanding.
- 2 If the resident is in receipt of Pension Credit/Income Support, contact the DWP.
- 3 Decide if you want the Care Contract to continue, if you are resident in a Bradford home.
- 4 Finally, don't worry! It is not as confusing as it appears, and the Community Care Administration Teams are always happy to explain the options available.

What will the Council do?

We will:

- Review the financial situation of the resident when the house is sold
- Let you know the amount due to the Council from the sale proceeds.
- Explain the options available.
- Issue a variation to the Contract if applicable, eg if you choose to pay the full amount to the Home.



Where can I get more information than there is in this leaflet?

You can get more information by calling
Community Care Administration.

Assessment Manager, Community Care Admin, 3rd Floor,
Olicana House, Chapel Street, Bradford BD1 5RE

Tel: (01274) 434814 or 434081

এই প্রচারপত্রে আপনাকে প্রদত্ত সোশ্যাল সার্ভিসসমূহের জন্য আপনাকে কি পরিমাণ অর্থ ব্যয় করতে হবে সে ব্যাপারে তথ্য দেয়া হয়েছে। আপনার ভাবার বিনয় জানতে চাইলে অনুগ্রহপূর্বক 01274 432931 নাম্বারে ফোন করুন।

આપ સોશિયલ સર્વિસીસની જે સેવાઓ મેળવો છો તેની ફી અંગે આ પત્રિકામાં માહિતી આપવામાં આવેલી છે. જે આપને આપની ભાષામાં અર્થા ડરવી હોય તો કૃપા કરી, 01274 432931 નંબર પર ફોન કરો.

इस पत्रिका में सोशल सर्विसज़ की तरफ से आपको दी जाने वाली सेवाओं के खर्च के बारे में बताया गया है। यदि आप इसके बारे में हिन्दी भाषा में बातचीत करना चाहते हैं, तो कृपया 01274 432931 नम्बर पर हमें फोन करें।

ਇਸ ਪਰਚੇ ਵਿਚ ਸੋਸ਼ਲ ਸਰਵਿਸਿਜ਼ ਵਲੋਂ ਤੁਹਾਨੂੰ ਦਿੱਤੀਆਂ ਜਾਣ ਵਾਲੀਆਂ ਸੇਵਾਵਾਂ ਦੇ ਖਰਚੇ ਬਾਰੇ ਦੱਸਿਆ ਗਿਆ ਹੈ। ਜੇ ਤੁਸੀਂ ਇਸ ਦੇ ਬਾਰੇ ਪੰਜਾਬੀ ਵਿਚ ਗੱਲ-ਬਾਤ ਕਰਨਾ ਚਾਹੁੰਦੇ ਹੋ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਟੈਲੀਫੋਨ ਨੰਬਰ 01274 432931 ਉੱਪਰ ਸਾਨੂੰ ਫੋਨ ਕਰੋ।

پڑ پڑچ (سلیٹ) اس طرح کے بارے میں ہے جس کے عوض آپ کو سماجی خدمات ملتی ہیں
اگر آپ اس کے بارے میں اپنی زبان میں بات کرنا چاہتے / چاہتی ہیں تو، براہ مہربانی
- پروفون کریں- 01274 432931

The wording in this publication can be made available in
other formats such as large print and Braille.

**For details, contact the Joint Communications Team
on Bradford (01274) 431573**

Department of Adult & Community Services,
Olicana House, Chapel Street,
Bradford BD1 5RE